

# Deseret News

## Panel endorses film-production bill, tax breaks

By **Brice Wallace**

Deseret News

*Published: February 10, 2009*

A bill to boost Utah's film industry got "action" Monday from a legislative committee.

The Senate Workforce Services and Community and Economic Development Committee unanimously passed out SB14, which supporters said would increase Utah's chances of getting big-budget movie and TV-series productions shot in-state.

The current program has a 15-percent tax rebate on in-state spending for approved productions. The bill calls for 20-percent rebates, up to \$500,000 per project, and 20-percent tax credits with no caps — the latter designed to get the bigger productions.

"At first blush, it would seem that the economic downturn and the expansion of the motion-picture incentive are in direct conflict," Don Schain, a co-producer on "High School Musical" films, told the committee. "However, upon careful examination, it is clear that SB14 is precisely the kind of stimulus needed to help reinvigorate our failing economy."

Schain stressed that film spending is "cash spent now" with "no five-year plan." And boosting Utah's incentives will better allow Utah to compete with about 40 other states offering incentives, he said.

Bill supporters have said that the film-production industry during the past fiscal year resulted in \$54 million in spending in Utah, with a total economic impact of \$138 million. The industry involved 1,099 total jobs and produced \$27.5 million in personal income and \$2.9 million in new state tax revenue.

As an example of economic benefits, Schain said "High School Musical 3" pumped \$13 million into Utah's economy over six months. Removing the \$500,000 project cap "will allow us to call Utah home for 'High School Musical 4,' " help Utah compete to get the planned remake of "Footloose" and "hopefully to bring in another 'Touched By An Angel' or another 'Everwood,'" he said.

Schain said other states have higher incentive amounts, but Utah can lure productions with a 20-percent tax credit because Utah has "arguably the best production infrastructure this side of either Los Angeles or New York ... Without SB14, our infrastructure is in real danger of sustaining irreparable damage."

SB14 calls for \$2.5 million in ongoing money and \$7.5 million in new money to fund the incentive program. But Schain said various economic benefits from productions "far outweighs and surpasses any negative fiscal note."

Marshall Moore, director of the Utah Film Commission, said SB14 would allow Utah "to become one of the premier destinations in-between Los Angeles and New York." The \$500,000 project cap has kept Utah from landing TV series or big-budget studio films, he said.

The bill's sponsor, Sen. Lyle Hillyard, R-Logan, said film work produces production spending, tourism benefits and state pride.

E-MAIL: [bwallace@desnews.com](mailto:bwallace@desnews.com)

© 2009 Deseret News Publishing Company | All rights reserved